

Financial Statements

1987



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CITY COUNCIL - 1987

MAYOR - T.C. BAKER

ALDERMEN

C.M. DONNELLY
W.H. JANZEN

J. FRANCIS
C.W. SARGENT

M.J. HUGHES
E.R. TOPOROWSKI

STANDING COMMITTEES

(first named is committee chairman)

FINANCE AND ADMINISTRATION

Mayor T.C. Baker, Ald. C.M. Donnelly, Ald. J. Francis, Ald. M.J. Hughes
Ald. W.H. Janzen, Ald. C.W. Sargent, Ald. E.R. Toporowski

FIRE

Ald. C.W. Sargent, Ald. J. Francis, Ald. E.R. Toporowski

PUBLIC WORKS, UTILITIES AND INDUSTRIAL DEVELOPMENT

Ald. W.H. Janzen, Ald. M.J. Hughes, Ald. C.W. Sargent

EMERGENCY PLANNING

Ald. E.R. Toporowski, Ald. W.H. Janzen, Ald. C.W. Sargent

TRAFFIC

Ald. C.M. Donnelly, Ald. M.J. Hughes, Ald. W.H. Janzen

PARKS AND RECREATION

Ald. M.J. Hughes, Ald. C.M. Donnelly, Ald. E.R. Toporowski

HEALTH AND SOCIAL PLANNING

Ald. J. Francis, Ald. C.M. Donnelly, Ald. C.W. Sargent

LIBRARY BOARD

S. MacDonald (Chairman)
Ald. W.H. Janzen
M. Gifford
B. Griffiths
D.A. MacDonald
R.J. Pelletier
M. Peters

ADVISORY PLANNING COMMISSION

W.A. Drinkwater (Chairman)
Ald. M.J. Hughes
G.P. Cassady
J. Cox
D. De La Mothe
B. Puri
W. Racanello
J. Strath
K. Williams

MUNICIPAL POLICE BOARD

Mayor T.C. Baker (Chairman)
G. Cassady
R. Casper
H. Hamm
D.I. McDonald

HERITAGE ADVISORY COMMITTEE

Ald. J. Francis (Chairman)
P. Arvanitidis
M. Cassady
B. Chaster
G. Dibble
E. Pullem
D. Zarn

GREATER VANCOUVER REGIONAL DISTRICT

Mayor T.C. Baker

CITY OFFICIALS

1987

CITY ADMINISTRATOR D.A. MANNING
TREASURER-COLLECTOR J.W. WHAN
CITY CLERK C.A. BRUCE
PURCHASING AGENT B.T. ANDERSON
CHIEF LICENCE INSPECTOR M.K. CLERIHUE
PERSONNEL DIRECTOR A.H. WOODBURY
CITY ENGINEER P.A. CONNOLLY
CITY ELECTRICAL ENGINEER R. ZBARSKY
CITY PLANNER K.D. CAMERON
PARKS ADMINISTRATOR D.K. WINSLADE
MEDICAL HEALTH OFFICER DR. A.S. ARNEIL
CHIEF PUBLIC HEALTH INSPECTOR R.N. FRASER
POLICE CHIEF K.G. BROWN
FIRE CHIEF P. PARNELL
LIBRARIAN A.N. WOODLAND
AUDITORS THORNE, ERNST & WHINNEY
BANKERS BANK OF MONTREAL

MAYORS OF NEW WESTMINSTER

JAMES CUNNINGHAM	1873
ROBERT DICKINSON	1874 and 1875
THOMAS R. McINNES	1876 and 1877
HENRY HOLBROOK	1878
W.D. FERRIS	1879
ROBERT DICKINSON	1880 and 1881
LOFTUS R. McINNES	1882
HENRY EDMONDS	(8 mo.) 1883
ROBERT DICKINSON	(4 mo.) 1883, 1884, 1885, 1886, 1887 and 1888
JOHN HENDRY	(6 mo.) 1889
W.B. TOWNSEND	(6 mo.) 1889
JOHN BROWN	1890 and 1891
W.B. TOWNSEND	1892
D.A. CURTIS	1893
HENRY HOY	1894
B.W. SHILES	1895, 1896 and 1897
THOS. OVENS	1898 and 1899
J.G. SCOTT	1900 and 1901
W.H. KEARY	1902, 1903, 1904, 1905, 1906, 1907, 1908 and 1909
JOHN A. LEE	1910, 1911 and 1912
A.W. GRAY	1913, 1914, 1915, 1916, 1917, 1918 and 1919
J.J. JOHNSTON	1920, 1921 and 1922
T.S. ANNANDALE	1923, 1924, 1925 and 1926
A.W. GRAY	1927, 1928, 1929, 1930, 1931, 1932 and 1933
F.J. HUME	1934, 1935, 1936, 1937, 1938, 1939, 1940, 1941 and 1942
W.M. MOTT	1943, 1944, 1945, 1946, 1947 and 1948
J.L. SANGSTER	1949 and 1950
F.H. JACKSON	1951, 1952, 1953, 1954, 1955, 1956, 1957 and 1958
BETH WOOD	1959, 1960, 1961, 1962, 1963 and (4 mo.) 1964
J.S. GIFFORD	(7 mo.) 1964, 1965, 1966, 1967 and 1968
M.S. EVERS	1969, 1970, 1971, 1972, 1973, 1974, 1975, 1976, 1977, 1978, 1979, 1980, 1981 and 1982
T.C. BAKER	1983, 1984, 1985, 1986 and 1987

AUDITORS' REPORT

The Mayor and Aldermen
The Corporation of the City of New Westminster

We have examined the capital and loan fund, trust and reserve fund, general operating fund, electricity distribution system, water distribution system, and sewer utility system balance sheets of The Corporation of the City of New Westminster as at December 31, 1987 and the related statements of revenue and expenditure, surplus and equity in fixed assets for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the City as at December 31, 1987 and the results of its operations for the year then ended, in accordance with accounting principles generally accepted for British Columbia municipalities applied, except for the change in the method of accounting for depreciation of fixed assets as described in Note 1.(e), on a basis consistent with that of the preceding year.



New Westminster, Canada
March 31, 1988.

THORNE, ERNST & WHINNEY
Chartered Accountants.

THE CORPORATION OF THE CITY OF NEW WESTMINSTER
BALANCE SHEETS
FOR THE YEAR ENDED DECEMBER 31

Exhibit 1

	<u>1987</u>	<u>1986</u>
<u>CAPITAL AND LOAN FUND</u>		
<u>ASSETS</u>		
Fixed assets per exhibit 6	\$49,920,233	\$46,918,192
Work in progress	<u>137,582</u>	<u>137,582</u>
	<u>\$50,057,815</u>	<u>\$47,055,774</u>
<u>LIABILITIES</u>		
Due to general operating fund	\$ 131,980	\$ 131,980
Mortgage payable	--	4,000
Debenture debt, per exhibit 7	814,597	1,068,670
Loan Agreement - Province of British Columbia	450,000	450,000
Interest rates - 1989-92 4.8% 1993-95 9.6%		
1996-98 12%		
Repayment commences on March 13, 1989		
Equity in fixed assets, per exhibit 3	48,661,238	45,401,124
Contingent liability (Note 2)		
	<u>\$50,057,815</u>	<u>\$47,055,774</u>
<u>TRUST AND RESERVE FUND</u>		
<u>ASSETS</u>		
Cash on hand and on deposit		
Cash on hand	\$ 82,175	\$ 332,199
Term deposits	<u>4,453,780</u>	<u>5,457,705</u>
	<u>4,535,955</u>	<u>5,789,904</u>
Investments		
Federal Government	799,500	945,877
Provincial Government	369,000	369,000
Other	<u>1,046,212</u>	<u>439,021</u>
	<u>2,214,712</u>	<u>1,753,898</u>
Debentures - First Capital City Development Company Limited (Note 3)	<u>1,115,699</u>	<u>1,115,699</u>
	<u>\$ 7,866,366</u>	<u>\$ 8,659,501</u>
<u>LIABILITIES</u>		
Trust funds, per exhibit 8	\$ 169,260	\$ 164,573
Reserve funds, per exhibit 8	<u>7,697,106</u>	<u>8,494,928</u>
	<u>\$ 7,866,366</u>	<u>\$ 8,659,501</u>

J.W. WHAN
Treasurer

THE CORPORATION OF THE CITY OF NEW WESTMINSTER
GENERAL REVENUE FUND BALANCE SHEET
AS AT DECEMBER 31

Exhibit 2

	<u>1987</u>	<u>1986</u>
<u>ASSETS</u>		
Cash on hand and on deposit		
Cash on hand	\$ 1,398,866	\$ 1,573,661
Term deposits	<u>2,106,473</u>	<u>1,107,661</u>
	3,505,339	2,681,322
Receivables		
Property taxes	1,576,505	1,469,575
Due from other funds and utilities	131,981	480,477
Due from Provincial Government	311,950	681,874
Due from other government agencies	129,926	8,142
Other receivables	<u>2,337,017</u>	<u>2,116,981</u>
	4,487,379	4,757,049
Investments	24,000	26,000
Mortgage receivable	864,568	951,957
Inventories	118,680	121,694
Property acquired for taxes		
Subject to redemption	--	61,706
Deeded to municipality	7,877	8,250
Deferred charges and other assets	520,415	352,391
Deposit - Municipal Finance Authority	<u>67,352</u>	<u>61,696</u>
	<u>\$ 9,595,610</u>	<u>\$ 9,022,065</u>
<u>LIABILITIES</u>		
Payables		
Due to other funds and utilities	\$ 792,604	\$ 656,305
Trade accounts	3,574,998	3,429,481
Due to Federal Government	407,709	433,436
Due to other government agencies	<u>144,813</u>	<u>113,674</u>
	4,920,124	4,632,896
Debenture installments due		
Principal	17,160	17,160
Interest	<u>4,590</u>	<u>8,075</u>
	21,750	25,235
Other liabilities and reserves	<u>1,819,281</u>	<u>2,057,012</u>
General operating fund surplus, per exhibit 4	<u>2,834,455</u>	<u>2,306,922</u>
	<u>\$ 9,595,610</u>	<u>\$ 9,022,065</u>

THE CORPORATION OF THE CITY OF NEW WESTMINSTER
STATEMENT OF EQUITY IN FIXED ASSETS
FOR THE YEAR ENDED DECEMBER 31

Exhibit 3

	<u>1987</u>	<u>1986</u>
Equity in fixed assets at January 1	\$45,401,124	\$42,952,714
Add: Retirement of debentures from operating fund	254,072	316,432
Foregiveness of mortgage repayment	4,000	9,500
Capitalized expenditures	<u>3,148,344</u>	<u>2,606,089</u>
	48,807,540	45,884,735
Deduct: Fixed asset valuation	122,830	321,861
Sale of fixed assets	<u>23,472</u>	<u>161,750</u>
	146,302	483,611
Equity in fixed assets at December 31, per exhibit 1	<u>\$48,661,238</u>	<u>\$45,401,124</u>

THE CORPORATION OF THE CITY OF NEW WESTMINSTER
STATEMENT OF GENERAL OPERATING FUND SURPLUS
FOR THE YEAR ENDED DECEMBER 31

Exhibit 4

	<u>1987</u>	<u>1986</u>
General operating fund surplus at January 1	\$ 2,306,922	\$ 2,222,572
Add: Surplus for the year, per exhibit 5	333,106	84,350
Worker's Compensation assessment refund	<u>194,427</u>	<u>--</u>
General operating fund surplus at December 31, per exhibit 2	<u>\$ 2,834,455</u>	<u>\$ 2,306,922</u>

THE CORPORATION OF THE CITY OF NEW WESTMINSTER
GENERAL OPERATING FUND
STATEMENT OF REVENUE AND EXPENDITURE
FOR THE YEAR ENDED DECEMBER 31

Exhibit 5

	<u>REVENUE</u>	<u>1987</u>	<u>1986</u>
Taxes			
General property tax		\$17,422,371	\$16,260,116
Local improvements		<u>37,372</u>	<u>128,992</u>
		17,459,693	16,389,108
Grants in lieu of taxes			
Federal Government		129,150	171,372
Federal Government Agencies		48,109	26,485
Provincial Government		680,892	723,406
Provincial Government Agencies		<u>449,296</u>	<u>399,798</u>
		1,307,447	1,321,061
Sale of services			
Fire protection		507,748	513,684
Parking meter revenue		70,160	70,479
Refuse collection		244,044	241,350
Cemetery		36,898	42,221
Market		45,460	137,684
Parks and recreation		2,165,629	2,015,532
Library		109,340	115,155
Other		<u>84,938</u>	<u>121,033</u>
		3,264,217	3,257,138
Other revenue from own sources			
Business licences		457,554	448,715
Municipal vehicle licences		13,876	15,060
Inspection permits		466,091	283,596
Other licences and permits		74,929	48,121
Fines		286,375	288,067
Rentals		161,130	171,762
Pole agreements and contact charges		45,200	50,165
Interest on investments		385,985	290,945
Penalties and interest on taxes		267,469	265,203
Miscellaneous revenue		<u>56,107</u>	<u>38,221</u>
		2,214,716	1,899,855
Unconditional transfers from Provincial Government		1,796,369	1,725,098
Conditional transfers from Federal Government		6,850	5,200
Conditional transfers from Provincial Government		578,305	835,718
Contributions		12,242	30,257
Other transfers			
Electricity distribution system, exhibit 12		1,786,620	1,683,123
Provision for future expenditure		633,414	259,150
Trust and reserve fund		--	40,045
		<u>2,420,034</u>	<u>1,982,318</u>
Collection for other governments		14,394,006	14,580,099
		<u>\$43,453,879</u>	<u>\$42,025,852</u>

J.W. Whan
Treasurer

THE CORPORATION OF THE CITY OF NEW WESTMINSTER

GENERAL OPERATING FUND

STATEMENT OF REVENUE AND EXPENDITURE

FOR THE YEAR ENDED DECEMBER 31

Exhibit 5

	<u>1987</u>	<u>1986</u>
<u>EXPENDITURE</u>		
General government		
Legislative	\$ 114,903	\$ 96,448
Administrative	1,758,265	1,617,054
Other	<u>968,545</u>	<u>900,758</u>
	2,841,713	2,614,260
Protective services		
Police services	6,662,866	6,261,564
Fire protection	4,590,944	4,560,940
Protective inspections	370,604	317,559
Animal and pest control	<u>138,947</u>	<u>119,376</u>
	11,763,361	11,259,439
Transportation services		
Public works	2,122,606	1,956,154
Parking control	<u>258,533</u>	<u>251,062</u>
	2,381,139	2,207,216
Environmental health services		
Refuse collection and disposal	<u>770,185</u>	<u>754,983</u>
Public health and welfare services		
Public health	819,627	776,801
Cemetery	166,075	175,111
Other	<u>69,304</u>	<u>65,905</u>
	1,055,006	1,017,817
Environmental development services		
Environmental planning	400,007	421,430
City market	53,957	174,125
Donations and grants	<u>84,929</u>	<u>75,783</u>
	538,893	671,338
Recreational and cultural services		
Parks and recreation	5,479,758	5,217,092
Historic centre and museum	120,215	114,168
Library	<u>1,231,098</u>	<u>1,263,609</u>
	6,831,071	6,594,869
Fiscal services		
Debt charges - exhibit 9	571,071	652,978
Transfers to reserves	<u>111,586</u>	<u>151,772</u>
	682,657	804,750
Transfer to other funds and provision for future capital expenditure	<u>1,848,426</u>	<u>1,419,177</u>
Decorative lighting	<u>14,316</u>	<u>17,554</u>
Transmission of taxes levied for other governments	14,394,006	14,580,099
Total expenditure	43,120,773	41,941,502
Surplus for year ended December 31, exhibit 4	<u>333,106</u>	<u>84,350</u>
	<u>\$43,453,879</u>	<u>\$42,025,852</u>

J.W. Whan
Treasurer

THE CORPORATION OF THE CITY OF NEW WESTMINSTER

GENERAL FIXED ASSETS

AS AT DECEMBER 31

Exhibit 6

	<u>1987</u>	<u>1986</u>
(Includes land, buildings, equipment and structures)		
General government		
Civic offices	\$ 3,733,723	\$ 3,093,952
Protective services		
Fire protection	1,201,669	1,047,652
Police services	391,428	318,645
Animal control	303,359	247,923
	<u>1,896,456</u>	<u>1,614,220</u>
Transportation services		
Workshop and equipment	1,029,912	840,844
Bridges and structures	3,825,158	3,829,775
Roads and sidewalks	16,975,164	15,870,115
Parking control	88,566	58,674
	<u>21,918,800</u>	<u>20,599,408</u>
Environmental health services		
Refuse collection and disposal	427,065	306,037
Drainage structures	282,343	282,343
	<u>709,408</u>	<u>588,380</u>
Public health and welfare services		
Public health	317,068	317,068
Cemetery	243,068	209,594
Pioneer Place	402,165	402,165
Beacon School	32,000	32,000
	<u>994,301</u>	<u>960,827</u>
Environmental development services		
City market	369,807	391,634
Recreational and cultural services		
Parks and recreation	13,397,470	13,107,188
Historic centre and museum	148,374	148,374
Library	2,407,657	2,358,364
Begbie Square	782,915	782,915
	<u>16,736,416</u>	<u>16,396,841</u>
Other		
Water lots	321,514	444,344
Parking deck	2,180,425	1,547,012
Other land	1,059,383	1,281,574
	<u>3,561,322</u>	<u>3,272,930</u>
General fixed assets, per exhibit 1	<u>\$49,920,233</u>	<u>\$46,918,192</u>

THE CORPORATION OF THE CITY OF NEW WESTMINSTER
SCHEDULE OF DEBENTURE DEBT
AS AT DECEMBER 31, 1987

Exhibit 7

<u>BYLAW NO.</u>	<u>PURPOSE</u>					
	<u>Sewerage improvements</u>					
4242	Sewerage systems, 1967	6	%	\$ 24,000	Aug.	1, 1988-97
4657	Sewerage systems, 1973 (portion)	6.51	%	177,825	July	1, 1988-92
5158	Queensborough Specified Area Sewerage System - Stage 1	12.27	%	<u>1,329,343</u>	Dec.	6, 1988-99
				<u>1,531,168</u>		
	<u>Local improvement issues</u>					
4657	Storm sewers, 1973 (portion)	6.51	%	191,729	July	1, 1988-92
4657	Curbs and paving, 1973 (portion)	6.51	%	<u>139,871</u>	July	1, 1988-92
				<u>331,600</u>		
	<u>Other issues</u>					
4715	Park improvements	6.98	%	35,011	Sept.	1, 1988-93
4640	Sewer separation, 1973	6.3522%		154,164	July	1, 1988-92
5152	Library addition	12.27	%	<u>293,822</u>	Dec.	6, 1988-92
				<u>482,997</u>		
	Total debenture debt			2,345,765		
	Deduct: Transferred to Sewer Utility System			<u>1,531,168</u>		
	Debenture debt, per exhibit 1			<u>\$ 814,597</u>		

THE CORPORATION OF THE CITY OF NEW WESTMINSTER
TRUST AND RESERVE FUNDS
AS AT DECEMBER 31

Exhibit 8

	<u>1987</u>	<u>1986</u>
Trust funds		
Cemetery care fund	\$ 157,754	\$ 153,690
Library grants	--	32
Minor lacrosse promotion	7,797	7,427
Other trust funds	<u>3,709</u>	<u>3,424</u>
Total trust funds, per exhibit 1	<u>\$ 169,260</u>	<u>\$ 164,573</u>
Reserve funds		
Construction of municipal works	\$ 1,168,042	\$ 2,028,741
Equipment replacement fund	2,988,872	3,694,775
Land acquisition reserve - industrial	509,540	462,105
Land acquisition reserve - general	187,779	170,298
Development cost charges - water system - Queensborough	15,054	9,744
Drainage development - Queensborough	358,091	318,092
Development of lands - Queensborough	487,908	449,278
Ryall Park relocation	321,318	314,174
Tax sale land	1,085,552	1,024,552
Centennial Lodge addition	830	767
Brunette River bridge	21,290	17,391
New animal shelter	737	5,011
East Columbia widening - Braid to Brunette River	400,486	--
Library roof	16,198	--
Front Street study	15,957	--
Clarkson Street improvements	<u>119,452</u>	<u>--</u>
Total reserve funds, per exhibit 1	<u>\$ 7,697,106</u>	<u>\$ 8,494,928</u>

THE CORPORATION OF THE CITY OF NEW WESTMINSTER
SCHEDULE OF DEBT CHARGES
FOR THE YEAR ENDED DECEMBER 31

Exhibit 9

	<u>1987</u>	<u>1986</u>
Debenture debt charges - serial issues	\$ 609,617	\$ 696,017
Deduct: Recoveries		
Greater Vancouver Regional Hospital District	47,380	47,140
Sewer utility system	<u>300,609</u>	<u>300,729</u>
	<u>347,989</u>	<u>347,869</u>
	261,628	348,148
Interest on tax prepayments	16,148	9,524
Bank charges and interest	64,838	75,477
Amortization levy - G.V.S. and D.D. re Brunette Creek diversion	<u>228,457</u>	<u>219,829</u>
NET EXPENDITURE, per exhibit 5	<u>\$ 571,071</u>	<u>\$ 652,978</u>

THE CORPORATION OF THE CITY OF NEW WESTMINSTER
SCHEDULE OF PROVINCIAL AND FEDERAL CONTRIBUTIONS AND GRANTS
FOR THE YEAR ENDED DECEMBER 31

Exhibit 10

	<u>1987</u>	<u>1986</u>
Provincial Government		
Health - general	\$ 9,886	\$ 9,886
Health - recovery of administration costs	82,551	76,750
Health - community care facilities licensing	23,668	19,622
Home owner	3,320,129	3,242,924
Grant in lieu of taxes	680,892	723,406
Emergency measures	3,000	3,000
Heritage inventory grant	--	4,659
Revenue sharing act - general	1,796,369	1,725,098
Revenue sharing act - sewerage assistance	212,673	262,911
Revenue sharing act - highways grant	313,716	156,211
Highways grant	40,770	215,518
Sewer studies	--	6,753
Cultural services grant	13,000	12,000
Queensborough road/rail project	11,384	13,000
Police - service of criminal documents	6,590	18,030
Police - prisoner custodial service	15,342	15,384
B.C. Hydro - grant in lieu of taxes	396,523	348,278
I.C.B.C. - grant in lieu of taxes	52,773	51,520
Library automation	--	25,000
Economic development	25,000	10,500
20th Street storm sewer project	--	289,572
Family services	3,300	--
Student employment grants	19,646	--
Planning grants	32,384	--
	<u>7,059,596</u>	<u>7,230,022</u>
Federal Government		
Grant in lieu of taxes	129,150	171,372
C.M.H.C. - grant in lieu of taxes	48,109	26,485
R.R.A.P. recovery	--	5,200
Senior citizens services	6,850	--
	<u>184,109</u>	<u>203,057</u>
	<u>\$ 7,243,705</u>	<u>\$ 7,433,079</u>

THE CORPORATION OF THE CITY OF NEW WESTMINSTER
ELECTRICITY DISTRIBUTION SYSTEM
BALANCE SHEET
AS AT DECEMBER 31

Exhibit 11

	<u>1987</u>	<u>1986</u>
<u>ASSETS</u>		
Current assets		
Inventory of materials	\$ 1,066,773	\$ 1,461,573
Accounts receivable	15,989	--
Due from general operating fund	<u>37,648</u>	<u>--</u>
	1,120,410	1,461,573
Fixed assets	<u>13,793,122</u>	<u>7,395,733</u>
	<u>\$14,913,532</u>	<u>\$ 8,857,306</u>
<u>LIABILITIES</u>		
Current liabilities		
Accounts payable	\$ 1,024,922	\$ 1,001,991
Due to general operating fund	--	348,496
Security deposits	<u>95,488</u>	<u>111,086</u>
	1,120,410	1,461,573
Equity in fixed assets	<u>13,793,122</u>	<u>7,395,733</u>
	<u>\$14,913,532</u>	<u>\$ 8,857,306</u>

STATEMENT OF REVENUE AND EXPENDITURE
FOR THE YEAR ENDED DECEMBER 31

Exhibit 12

	<u>1987</u>	<u>1986</u>
<u>REVENUE</u>		
Sale of energy	\$13,524,146	\$12,887,512
Street lighting	196,252	195,673
Other revenue	<u>106,197</u>	<u>43,120</u>
	<u>\$13,826,595</u>	<u>\$13,126,305</u>
<u>EXPENDITURE</u>		
Maintenance of system	\$ 1,295,397	\$ 1,200,315
Administration	925,589	854,639
Purchase of energy	8,885,054	8,567,065
Additions to system and equipment	<u>933,935</u>	<u>821,163</u>
	12,039,975	11,443,182
Surplus for the year - transferred to general operating fund - exhibit 5	<u>1,786,620</u>	<u>1,683,123</u>
	<u>\$13,826,595</u>	<u>\$13,126,305</u>

THE CORPORATION OF THE CITY OF NEW WESTMINSTER
WATER DISTRIBUTION SYSTEM
BALANCE SHEET
AS AT DECEMBER 31

Exhibit 13

	<u>1987</u>	<u>1986</u>
<u>ASSETS</u>		
Current assets		
Inventory of material	\$ 163,785	\$ 145,447
Due from general operating fund	<u>387,558</u>	<u>261,928</u>
	551,343	407,375
Fixed assets	<u>4,291,729</u>	<u>2,471,360</u>
	<u>\$ 4,843,072</u>	<u>\$ 2,878,735</u>
<u>LIABILITIES</u>		
Current liabilities		
Accounts payable	\$ 107,234	\$ 86,442
Provision for future expenditure	<u>444,109</u>	<u>320,933</u>
	551,343	407,375
Equity in fixed assets	<u>4,291,729</u>	<u>2,471,360</u>
	<u>\$ 4,843,072</u>	<u>\$ 2,878,735</u>

STATEMENT OF REVENUE AND EXPENDITURE
FOR THE YEAR ENDED DECEMBER 31

Exhibit 14

	<u>1987</u>	<u>1986</u>
<u>REVENUE</u>		
Sale of water	\$ 1,257,310	\$ 1,225,744
Fire hydrants	37,200	35,000
Other revenue	<u>40,754</u>	<u>28,712</u>
	<u>\$ 1,335,264</u>	<u>\$ 1,289,456</u>
<u>EXPENDITURE</u>		
Maintenance of system	\$ 209,808	\$ 204,230
Administration	238,120	211,286
Purchase of water	565,737	522,647
Additions to system	198,423	203,893
Provision for future capital expenditure	<u>123,176</u>	<u>147,400</u>
	<u>\$ 1,335,264</u>	<u>\$ 1,289,456</u>

THE CORPORATION OF THE CITY OF NEW WESTMINSTER
SEWER UTILITY SYSTEM
BALANCE SHEET
AS AT DECEMBER 31

Exhibit 15

	<u>1987</u>	<u>1986</u>
<u>ASSETS</u>		
Current assets		
Due from general operating fund	\$ 367,397	\$ 394,377
Due from Provincial Government	--	6,753
	367,397	401,130
Fixed assets	<u>8,101,665</u>	<u>7,723,291</u>
	<u>\$ 8,469,062</u>	<u>\$ 8,124,421</u>
<u>LIABILITIES</u>		
Current liabilities		
Accounts payable	\$ 62,352	\$ 3,302
Provision for future expenditure	<u>250,860</u>	<u>311,635</u>
	313,212	314,937
Debenture debt	1,531,168	1,610,750
Equity in fixed assets	<u>6,624,682</u>	<u>6,198,734</u>
	<u>\$ 8,469,062</u>	<u>\$ 8,124,421</u>

STATEMENT OF REVENUE AND EXPENDITURE
FOR THE YEAR ENDED DECEMBER 31

Exhibit 16

	<u>1987</u>	<u>1986</u>
<u>REVENUE</u>		
User charges	\$ 1,597,128	\$ 1,605,181
Provincial Government grant - Revenue Sharing Act	212,674	262,911
Provincial Government grant - study	--	6,753
Local improvement levies	48,706	48,826
Transferred from provision for future expenditure	<u>60,775</u>	<u>144,354</u>
	<u>\$ 1,919,283</u>	<u>\$ 2,068,025</u>
<u>EXPENDITURE</u>		
Greater Vancouver Sewerage and Drainage District levy	\$ 1,011,689	\$ 1,092,547
Maintenance of system	164,974	197,788
Administration	95,644	59,658
Debt charges	263,659	263,779
Studies	--	8,505
Additions to system	346,367	408,798
Transfers to other funds	<u>36,950</u>	<u>36,950</u>
	<u>\$ 1,919,283</u>	<u>\$ 2,068,025</u>

J.W. Whan
Treasurer

THE CORPORATION OF THE CITY OF NEW WESTMINSTER
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1987

1. SIGNIFICANT ACCOUNTING POLICIES

(a) British Columbia Municipalities

It is the City's policy to follow accounting principles generally accepted for British Columbia municipalities and to apply such policies consistently. Accordingly, the resources and operations of the City are segregated into various funds for accounting and financial reporting purposes, each being treated as a separate entity with respect to its assets, liabilities and operation.

(b) Inventories

Inventories are carried at cost or replacement value.

(c) Investments

Investments are carried at cost, which approximates market values.

(d) Fixed assets

All land, buildings, equipment and structures and electrical and water distribution systems are recorded at cost.

(e) Depreciation - Change in Accounting Policy

In accordance with accounting principles prescribed by the Ministry of Municipal Affairs, the City has discontinued its policy of recording depreciation on fixed assets, and accumulated depreciation on fixed assets of the electricity distribution system and water distribution system at December 31, 1986 has been reversed and credited to equity in capital assets in 1987.

(f) Interest accruals

Interest expense is recorded on the cash basis and accordingly no accrued interest expense is recorded in the accounts.

(g) Accounts payable

Purchase orders outstanding at December 31 are included in accounts payable.

2. CONTINGENT LIABILITY

The loan agreements with the Greater Vancouver Regional District and the Municipal Finance Authority provide that, if at any time the scheduled payments provided for in the agreements are not sufficient to meet the Authority's obligations in respect of such borrowing, the resulting deficiency becomes a joint and several liability of the City and the other participants.

3. DEBENTURES - First Capital City Development Company Limited (FCC)

In 1987 the City finalized its financial participation with respect to the downtown waterfront redevelopment project by disposing of certain properties to FCC. As consideration for the transfer of such properties, FCC issued to the City \$1,115,698.84 in series B debentures bearing an interest rate of 3 3/4% per annum. While FCC is not required to pay any interest or principal until immediately before the earlier of FCC declaring a dividend or being wound up, current indications are that the ultimate repayment of the debentures is doubtful.